Oil in New Mexico

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served by the Denver & Rio Grande Western railroad, the trip is a hard one by road, although a good one is now in course of construction. Eighty miles north lies Durango, connected with the field by a well-surfaced highway, in addition to the railroad. Gallup, more than a hundred miles to the south is far removed, but would be a logical place for the terminus of a pipeline if one were to be built.

It is under advisement by a number of California capitalists to build a railroad from Gallup to Farmington, where a direct connection could be made with the D. & R. G., which is a standard gauge as far north as Durango. Railroad facilities are lacking at this time as it is necessary to make several changes from broad gauge to narrow gauge and back again to broad gauge. Practically everything in the San Juan basin moves by parcel post and a train of several trucks loaded with packages can be seen at most any time.

Within the basin the principal river is the San Juan, which is fed by many tributaries which arise in the high mountains to the east and north, which are perpetually covered with snow. Water for drilling purposes is plentiful from various streams and for fuel purposes coal is available, there being many coal mines in the basin. Along the La Plata and Animas river the country is very fertile and here will be found cultivation of many fruits, with peaches and apples in abundance.

Past Developments in Basin.

Drilling for oil in the San Juan basin in New Mexico has been carried on continually for the past three or four years, but all efforts have been fruitless until the striking of the well on the Navajo reservation. However, operations in the San Juan valley will date back as far as 30 years, the good geological structures and the country as a whole looking likeable for the production of petroleum. The wells drilled in some instances showed both oil and gas which was incentive enough to encourage further prospecting. In and around Farmington the wildcatter has been fairly active and showings in the states near by also kept up interest.

It was early in the year 1921 that the Midwest Refining company drilled in a gas well, approximately 18 miles north of Farmington, which resulted in a 5,000,000 cubic foot volume at approximately 2,200 feet. A fire later destroyed the rig and equipment. To the northeast of of Farmington six miles a test is now being drilled on the Glade, where both oil and gas showings have been encountered.

Other gas wells were found, one near Aztec, where the gas is being used for commercial purposes, while the two gas wells of the Midwest Refining company on the Ute reservation in northwestern New Mexico, is not being utilized at this time. Approximately fifty million cubic feet of gas was uncovered in one test at a depth of 2,420 feet. The company has a several thousand acre lease here and the gas has shown good gasoline content.

Other tests have not been of any special importance. In 1921 the Meadows well, drilled 15 miles northwest of Farmington, showed some oil and about this time some oil was developed in the Seven Lakes are, 60 miles southeast of Farmington. In 1918 nine miles southeast of the same place some oil and gas was found, but not in commercial quantities in the Mesa Verde test. Then, as discussed elsewhere, there were two gas wells developed near Aztec, at a depth of 1,100 feet, just a mile south of town. Four miles north of this place the Williams well showed considerable gas. It was drilled in 1920. The Richmond Oil company's subsidiary of the Standard company of California also made a couple of unsuccessful tests. Other operations in and about the basin developed showings, but now with a paying oil well developed and a few gas wells this country will have to be taken into consideration as one of the probable sources of a large supply of future petroleum.

"Wipet" Makes Successful Debute.

CHICAGO—A traveling oil salesman was responsible for the discovery of a profitable use for "Wipet," the handy parcel of waste, which was introduced to the oil business at the national marketers' convention in Chicago. This salesman suggested "Wipet" as a souvenir to be given away at the newly opened service stations of one of his customers. Business for the new station was speedily built up by the attraction of the advertising packet of compressed waste. M. T. Chamberlain, head of the company making "Wipet," reports that oil companies are ordering many packets for advertising purposes at the coming motor shows. "Wipet" was widely used at the successful exhibits of oil companies at county and state fairs last autumn. Chamberlain also mentions that the price of "Wipet" makes it less expensive than a circular letter. He is getting business on the basis of this economy.

COURT DECIDED "HANDS OFF" OF THIS "STOCKHOLDERS' QUARREL"

CHEYENNE, Wyo.—Judge T. B. Kennedy, in a suit brought by stockholders of the Omar Oil company against the Bair Oil company, refused to appoint a receiver. The court announced that it was not the court's function to take a hand in what he termed a "quarrel among stockholders."

WOMAN "OIL MAN" BUYS CONTROL OF CAROLINA OIL COMPANY.

NACOGDOCHES, Texas—Mrs. P. M. Rideout, of San Francisco, has purchased a controlling interest in the Carolina Oil company, operating in the Nacogdoches shallow field. The company operates a small refinery and complete grease plant. Mrs. Rideout has been active in oil for sometime.

VAN DER GRACHT NOW IDENTIFIED WITH MARLAND COMPANIES.

PONCA CITY.—The rumor that W. A. J. M. van Watershoot van der Gracht, who recently resigned as president of the Roxana company, would join the Marland organization has proved true. Mr. Van der Gracht, who has made a world-wide name for himself as a geologist and scientist, is with the geological department of the Marland companies.

SINCLAIR GASOLINE PLANT IN BURBANK, IN OPERATION.

The Sinclair Oil & Gas Co., has started the operation of its 6,500-gallon absorption and compression plant in the Burbank field. C. E. Fenley has been transferred to the new plant from the Hominy plant. He will be superintendent.

Apparent Potentialities of Okmulgee Field Unlimited

By CHARLES L. O'NEIL,
Secretary Okmulgee District Oil and Gas Association.

Can the Okmulgee district go on breaking records in oil production as it has been doing for the past five years? That is a question that operators and investors are asking and those who are familiar with the apparent potentialities of the district answer yes. Okmulgee has been breaking records in oil production for five years and 1922, the year just closed, saw more oil produced in the five counties that make up the Okmulgee district than has ever before been produced in a 12-month period. The total production for the district in 1923 will be well above 19,000,000 barrels. Production figures for December are not yet available but there is no doubt that the above figure will be exceeded when the final reports are in.

In the first nine months of 1922 the production of the Okmulgee district was 14,828,883 barrels and the present production is above 1,350,000 barrels per month so that the total for the year is certain to be above 19,000,000 barrels. The production of the district in the past five years can be summarized as follows:

Year—	Barrels
1918	6,128,437
1919	11,372,879
1920	17,401,366
1921	15,907,119
1922	19,000,000
Five-year total	89,709,751

So that the district has produced approximately seventy million barrels in the past five years and has shown an increase in production in every year except 1921 when the low market and general depression in the oil industry resulted in an almost complete shutdown of drilling operations. The Okmulgee district as a producing area will be 16 years old next June and it has produced to date 160,000,000 barrels of oil since the first well was completed in the Morris field in June, 1907.

All of the production of the district to date has been drawn from Okmulgee and Okfuskee counties and nearly all of it from Okmulgee county alone as Okfuskee county did not contribute to the pipeline runs from this district until about two years ago. During the past two years, however, Okfuskee county has come rapidly to the front and in the year 1922 produced more oil than Okmulgee county. The other three counties in the district, Hughes, Seminole and McIntosh, in which the prospects for securing production are fully as good as they were in Okfuskee county four years ago, are as yet practically undeveloped territory with vast possibilities. In the closing months of 1922 Hughes county furnished a sensational oil well and there now seems no doubt that several prolific pools lie in that county while developments in Seminole indicate that that county will soon join the ranks of the oil producers.

If the three counties in this district whose oil resources are as yet unknown should produce oil in quantities comparable to Okmulgee county, this district may go on breaking production records for years before the peak of production is reached. Okfuskee county has so far been tested only in a small area and it will probably be one of the big oil producing counties of Oklahoma for years to come. Okmulgee county's resources are by no means exhausted and scarcely a year has passed since oil was first discovered in this county but that Okmulgee county has supplied a new pool of large producing capacity. Much of the area of the county is as yet untested as far as the deeper sands are concerned and there is every reason to suppose that the county will at least be able to maintain its present production for years to come.

Some District Figures.

Within the Okmulgee district there is approximately four thousand square miles of territory comprising 2,560,000 acres. Not more than 10 percent of this vast area has been subjected to intensive development and but 27 percent of all of the wells drilled in the district in the first 15 years of development were failures. There is between 300 and 400 wells drilling within the district at all times.

There are—more than five thousand producing oil and gas wells within the district and the production of the oil wells is handled by 18 pipeline systems centering at Okmulgee where there are five large oil refineries with a combined daily capacity of 20,000 barrels and a property valuation of $5,350,000. Pipelines valuation of $5,250,000. Pipe lines also extend from the district to Tulsa, Muskogee and other refining points within the state and four great pipeline system cross the Okmulgee district through which the oil produced here is shipped to Kansas City, St. Louis, Chicago and the Atlantic and Gulf seaboards.

A large part of the natural gas produced in the Okmulgee district is gathered up by four different pipeline systems and shipped to the four principal cities of Oklahoma—Oklahoma City, Tulsa, Muskogee and Okmulgee—and to many smaller cities and towns throughout eastern Oklahoma. The remainder of the natural gas produced here is used as raw material in 54 casinghead gasoline plants scattered throughout the district, or is used as fuel for field operations. The value of casinghead gas produced in the Okmulgee district each year exceeds $5,000,000, while the value of the natural gas production is in excess of that figure.

Outstanding Developments.

The outstanding development in the Okmulgee district in the year 1922 was the drilling up of the Lyons pool in and around sections 13, 24, 25 and 36-11-11. This great pool was opened in the latter part of 1921 and reached its peak production in March and April, 1922. It has produced more than ten million barrels of oil so far and is still producing 350,000 barrels per month. It is the greatest pool in point of production ever opened in the Okmulgee district. This pool also contains the greatest producing 80-acre lease ever developed in the district.

A Wonderful Lease.

This lease is the Andrew Holmes lease, owned by the Independent Oil & Gas Co. of Okmulgee, and located in 13-11-11. The first well on the lease was drilled in on November 24, 1921, and in the first year of its history the lease produced 1,414,884 barrels of pipeline oil. This is an average of 132,572 barrels for each of the 11 wells on the lease and a recovery of 17,689 barrels per acre in the first year. The lease averaged 3,996 barrels every day during the first year and is still producing at the rate of 200 barrels per day per well or about two thousand barrels daily.

Swedish experimenters with shale claim to have found a way to obtain from eighty to ninty per cent of is oil and combustible gasses of high heating content and to profitably utilize the coke.